



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-533-899]

#### **Granular Polytetrafluoroethylene Resin from India: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that imports of granular polytetrafluoroethylene (PTFE) resin from India are being, or are likely to be, sold in the United States at less than fair value (LTFV).

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Alexis Cherry or Katherine Johnson, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0607 or (202) 482-4929, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On September 2, 2021, Commerce published its preliminary determination in the LTFV investigation of granular PTFE resin from India, in which we also postponed the final determination until January 18, 2022.<sup>1</sup> For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.<sup>2</sup> The Issues and Decision Memorandum is a public document and is made available to the public via

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<sup>1</sup> See *Granular Polytetrafluoroethylene Resin from India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 86 FR 49299 (September 2, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

<sup>2</sup> See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Granular Polytetrafluoroethylene Resin from India,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

#### Period of Investigation

The period of investigation is January 1, 2020, through December 31, 2020.

#### Scope of the Investigation

The product covered by this investigation is granular PTFE resin from India. For a complete description of the scope of this investigation, *see* Appendix I.

#### Scope Comments

No interested party commented on the scope of the investigation as it appeared in the *Preliminary Determination*. Therefore, no changes were made to the scope of the investigation.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs that were submitted by parties in this investigation are addressed in the Issues and Decision Memorandum. For a list of the issues raised by interested parties and addressed in the Issues and Decision Memorandum, *see* Appendix II to this notice.

#### Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).<sup>3</sup>

#### Final Affirmative Determination of Critical Circumstances

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<sup>3</sup> See Commerce's Letter, "In Lieu of On-Site Verification Questionnaire," dated September 14, 2021; *see also* GFCL's Letter, "Gujarat Fluorochemicals Limited's Response to Questionnaire In-Lieu of On-Site Verification," dated September 22, 2021.

In accordance with section 733(e) of the Act and 19 CFR 351.206, Commerce preliminarily determined that critical circumstances exist for Gujarat Fluorochemicals Limited (GFCL) and for all other producers and exporters.<sup>4</sup> Commerce did not receive any comments in response to its preliminary determination with respect to critical circumstances. Based on our preliminary analysis, we continue to find that critical circumstances exist in the final determination.

#### Changes Since the Preliminary Determination

Based on the comments received from interested parties and record information, we made no changes to our preliminary weighted-average dumping margin calculations for GFCL.

#### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding rates that are zero, *de minimis*, or determined entirely under section 776 of the Act. Commerce calculated an individual estimated weighted-average dumping margin for GFCL, the only individually examined exporter/producer in this investigation. Because the only individually calculated dumping margin is not zero, *de minimis*, or based entirely on facts otherwise available, the estimated weighted-average dumping margin calculated for GFCL is the margin assigned to all other producers and exporters, pursuant to section 735(c)(5)(A) of the Act.

#### Final Determination

The final estimated weighted-average dumping margins are as follows:

<b>Exporter/Producer</b>	<b>Estimated Weighted-Average Dumping Margin (percent)</b>	<b>Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)</b>
Gujarat Fluorochemicals Limited	13.09	10.01

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<sup>4</sup> For a full description of the methodology and results of Commerce's critical circumstances analysis, *see* Preliminary Determination Memorandum at 13-16.

All Others	13.09	10.01
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### Disclosure

Normally, Commerce discloses to the parties in a proceeding the calculations that it performed in connection with the final determination in accordance with 19 CFR 351.224(b). However, because we made no changes to our preliminary weighted-average dumping margin calculations for GFCL, there are no calculations to disclose for this final determination.

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, Commerce will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of granular PTFE resin from India, as described in Appendix I of this notice, which are entered, or withdrawn from warehouse, for consumption on or after September 2, 2021, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Section 735(c)(4) of the Act provides that if there is an affirmative determination of critical circumstances, any suspension of liquidation shall apply to unliquidated entries of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the later of: (a) the date which is 90 days before the date on which the suspension of liquidation was first ordered; or (b) the date on which notice of initiation of the investigation was published. As noted above, Commerce finds that critical circumstances exist for imports of subject merchandise produced and/or exported by GFCL and by all other producers and exporters. Therefore, in accordance with section 735(c)(4) of the Act, suspension of liquidation shall continue to apply to unliquidated entries of subject merchandise produced and/or exported by GFCL and by all other producers and exporters that were entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the date of publication of the *Preliminary Determination* in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), we will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin as follows: (1) the cash deposit rate for the respondent listed above will be equal to the respondent-specific estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a respondent identified above but the producer is, then the cash deposit rate will be equal to the respondent-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension-of-liquidation instructions will remain in effect until further notice.

In the event that a countervailing duty (CVD) order is issued, and suspension of liquidation is resumed in the companion CVD investigation on granular PTFE resin from India, Commerce will instruct CBP to require cash deposits adjusted by the amount of export subsidies, as appropriate. These adjustments are reflected in the final column of the rate chart, above. Until such suspension of liquidation is resumed in the companion CVD investigation, and so long as suspension of liquidation continues under this antidumping duty (AD) investigation, the cash deposit rates for this AD investigation will be the rates identified in the estimated weighted-average dumping margin column in the rate chart, above.

#### International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of this final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of granular PTFE resin from India no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded and suspension of liquidation

will be lifted. If the ITC determines that such injury does exist, Commerce will issue an AD order directing CBP to assess, upon further instruction by Commerce, AD duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

#### Notification Regarding APO

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation which is subject to sanction.

#### Notification to Interested Parties

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: January 18, 2022.

**Lisa W. Wang**

*Assistant Secretary*

*for Enforcement and Compliance.*

## **Appendix I**

### **Scope of the Investigation**

The product covered by this investigation is granular polytetrafluoroethylene (PTFE) resin. PTFE is covered by the scope of this investigation whether filled or unfilled, whether or not modified, and whether or not containing co-polymer, additives, pigments, or other materials. Also included is PTFE wet raw polymer. The chemical formula for PTFE is C<sub>2</sub>F<sub>4</sub>, and the Chemical Abstracts Service Registry number is 9002-84-0.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise processed in a third country, including by filling, modifying, compounding, packaging with another product, or performing any other finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the granular PTFE.

The product covered by this investigation does not include dispersion or coagulated dispersion (also known as fine powder) PTFE.

PTFE further processed into micropowder, having particle size typically ranging from 1 to 25 microns, and a melt-flow rate no less than 0.1 gram/10 minutes, is excluded from the scope of this investigation.

Granular PTFE is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 3904.61.0010. Subject merchandise may also be classified under HTSUS subheading 3904.69.5000. Although the HTSUS subheadings and CAS Number are provided for convenience and Customs purposes, the written description of the scope is dispositive.

## **Appendix II**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Discussion of the Issues
  - Comment 1: U.S. Movement Expenses
  - Comment 2: Constructed Export Price (CEP) Offset
  - Comment 3: Non-Prime Product Costing
  - Comment 4: Financial Expense Rate
  - Comment 5: Restructuring Expenses
- IV. Recommendation

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